



**Health Services**  
LOS ANGELES COUNTY

March 13, 2015

**Los Angeles County  
Board of Supervisors**

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Director

**Hal F. Yee, Jr., M.D., Ph.D.**  
Chief Medical Officer

TO: Each Supervisor

FROM: Mitchell H. Katz, M.D.  
Director

SUBJECT: **PRESERVING TRAUMA CARE SERVICES IN LOS ANGELES COUNTY**

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On January 20, 2015, the Board instructed the Department of Health Services (DHS) to provide a report on the status of the evaluation of trauma hospital applications for the East San Gabriel Valley, and the timeframe for review and analysis of the Affordable Care Act on the allocation of Measure B trauma program funds. On February 3, 2015, the Board instructed DHS to also report in writing on options to use Measure B and other funds to avoid any disruption of trauma, emergency, behavioral health and other critical health services in the County at risk of reduction as a result of the proposed sale of St. Francis Medical Center and St. Vincent Medical Center, including considering changes to the Measure B program, the Board's pursuit of another ballot measure or other legislation to ensure adequate trauma, emergency and behavioral health services continue to exist throughout the County. This report is in response to both motions.

**East San Gabriel Valley Trauma Services**

DHS is in the final days of reviewing the applications received from the two hospitals that responded to the Request for Application for Trauma Services (Table I). Upon your Board's approval to award a Trauma Pre-designation Agreement to the most qualified hospital in the San Gabriel Valley, DHS will implement the designation process as outlined in Table II. This process is estimated to take between 12-15 months, beginning after the Board approval process, and will be implemented to ensure that the hospital complies with all the California Code of Regulations building requirements and has all the necessary processes, staffing and equipment to provide optimum trauma care as set by the American College of Surgeons.

**Measure B Funds**

DHS has begun discussions with the trauma hospitals to re-evaluate the Measure B allocation in order to assess the financial impact of the Affordable Care Act (ACA). A survey template designed to collect patient and financial data for the period of January through June 2014 was sent to the trauma hospitals. DHS reviewed the results of these surveys and determined that the timeframe used was too close to the implementation date of the ACA to ascertain the impact of the ACA. It was agreed by DHS and the trauma hospitals that this survey should include data from July 2014

*To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.*



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through March 2015. The results are due back to DHS in May 2015. DHS also organized meetings with trauma hospitals in January and February to discuss various topics that have financial impact on trauma hospitals due to ACA. DHS will complete the analysis of the survey results in June 2015 and meet with trauma hospitals in July 2015 to discuss the tentatively recommended allocations. DHS will submit a final recommended allocation to the Board in August 2015. See Table III for a timeline of the process.

### **Status of the sale of St. Francis and St. Vincent Hospitals**

St. Francis Medical Center has 384 licensed beds and provides Level II trauma services, emergency, inpatient, and behavioral health care services to the southeast Los Angeles community. St. Vincent Medical Center has 366 licensed beds and provides emergency, inpatient, and behavioral health care services to the downtown Los Angeles and surrounding communities. St. Vincent is not a Trauma Center, so it does not receive Measure B funds.

Under state law, the attorney general must approve the sales of nonprofit hospitals to for-profit companies. On February 20, 2015, Attorney General Kamala D. Harris granted conditional approval of the change of control and governance of Daughters of Charity Health System, which includes six health facilities, to Prime Healthcare Services, Inc. and Prime Healthcare Foundation, Inc. (collectively Prime).

- St. Vincent Medical Center (Los Angeles County)
- St. Francis Medical Center (Los Angeles County)
- O'Connor Hospital (Santa Clara County)
- Saint Louise Regional Hospital (Santa Clara County)
- Seton Medical Center (San Mateo County)
- Seton Coastsides (San Mateo County)

However, on March 10, 2015, Prime announced that it has decided to pass on the proposed deal, citing that the conditions placed on the sale by the attorney general were too "burdensome and restrictive". The next step in the process is up to the Daughters of Charity Health System. They could continue to run the hospitals themselves at a financial loss; they could open negotiations with one of the other bidders; they could initiate a new process for selling the hospitals; they could place the hospitals in bankruptcy; they could close one or more of the hospitals; or pursue some other option. By law, hospitals must provide 30 days' notice to the California Department of Public Health prior to closure.

DHS will continue to monitor the status of the hospitals and future business decisions of the Daughters of Charity Health Systems. If St. Francis were to close or disband its trauma center, this would create stress on the Los Angeles County trauma system and would be a significant loss to the Los Angeles County trauma system. Under the leadership of your Board, DHS will work to ensure that there are no gaps in service to the broader community.

Each Supervisor  
March 13, 2015  
Page 2

As mentioned in the DHS report dated January 8, 2015, if there were a near term closure of the trauma service at Saint Francis, the first step would be for the EMS Agency to expand the trauma catchment areas for Harbor-UCLA Medical Center, Long Beach Memorial Medical Center, and LAC+USC Medical Center to cover this area. Simultaneously, the EMS Agency would need to begin the process to establish a new trauma center in the affected geographic area and will need to perform a comprehensive community needs assessment in order to confirm the need and determine the optimal location of an additional trauma center within Los Angeles County.

### **Conclusion**

We appreciate the Board's commitment to ensuring adequate trauma, emergency care and behavioral health services, which are of critical importance to the Los Angeles County. If you have any questions or need additional information, please contact me or Cathy Chidester, EMS Agency Director, at (562) 347-1604.

MHK:rt

Attachment

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors

**Table I. Trauma Application Review Process**

Approximate Date	Activity
<b>Activities completed to date</b>	
April 1, 2014	DHS issued a Request for Information (RFI) for Trauma Services to eight hospitals operating in the East San Gabriel Valley area (east of the 605 Freeway). Three hospitals are operated by Citrus Valley Medical Center (Queen of the Valley, Intercommunity and Foothill Presbyterian).
April 14, 2014	Due date for RFI responses - two (2) hospitals requested due date extensions.
May 30, 2014	Revised due date for RFI responses, DHS received two responses from Citrus Valley Medical Center-Queen of the Valley Campus and Pomona Valley Hospital Medical Center.
August 27, 2014	Request for Application (RFA) was released to Citrus Valley Medical Center-Queen of the Valley Campus and Pomona Valley Hospital Medical Center.
October 1, 2014	Both hospitals requested due date extensions.
November 19, 2014	Revised due date for RFA responses. DHS received two applications from Citrus Valley Medical Center-Queen of the Valley Campus and Pomona Valley Hospital Medical Center.
December 2014 - January 2015	DHS convened multiple meetings with the Evaluation Team to review and evaluate the two applications.
February 2015	Conducted evaluation team facility site visits at both applicants' sites and completed final application review.
February 2015	Evaluation team developed recommendation to DHS executive management on which hospital is most qualified to become a trauma center; DHS also reviewed financial considerations prior to issuing Notice to Applicants of selection.
<b>Anticipated future activities</b>	
March 2015	DHS will issue Notice to Applicants of selection.
Late March-April 2015	Conduct contract negotiations with the selected hospital.
May-June 2015	Draft contract and board letter.
July 2015	Place item on agenda to recommend Board approval of a Trauma Pre-designation Agreement awarded to the selected hospital; this Agreement will specify all the requirements needed to become a Level II Trauma Center.

## Table II. Trauma Center Designation Process

Note: The dates included below are approximate and are subject to change. If one step in the process is delayed, it will cause a corresponding delay in all subsequent steps.

Approximate Date	Activity
July 2015	<p>Pre-designation: DHS works with the selected hospital to complete and submit an application for a Consultative Review by the American College of Surgeons (ACS). The ACS generally schedules a review within 12 months from receipt of the application.</p>
July 2015-June 2016	<p>Pre-designation: DHS works collaboratively with the selected hospital to meet all deliverables specified in the Trauma Pre-designation Agreement, which includes the following: implement necessary building infrastructure, as needed, and develop required policies (i.e., activation and notification processes); hospital will need to put into place: staffing, equipment, data collection and a trauma specific performance improvement program.</p> <p>As part of the pre-designation activities and preparation for the ACS Consultative Review, the hospital will begin functioning as a trauma center when providing care to “walk-in” patients who meet trauma center criteria. This “practice” provides the hospital the opportunity to evaluate, revise and improve new trauma care processes put into place.</p>
June 2016	<p>Pre-designation: The ACS conducts their review of the trauma program in its entirety, including the quality of trauma care provided to the “walk-in” trauma cases, equipment, policies and processes implemented by the hospital. This consultation is in place to ensure the delivery of optimum trauma care.</p>
August-September 2016	<p>Designation: DHS receives ACS’ findings from the Consultative Review. If the findings are favorable, DHS will draft an Amendment to the agreement, designating the hospital as a Level II Trauma Center (which will include revision in Measure B allocation, trauma triage protocol, revise trauma catchment areas).</p>
October 2016	<p>Designation: Upon execution of the Level II Trauma Center Agreement and notification of the various stakeholder groups, the hospital is designated as a Level II Trauma Center.</p>
October 2016 – September 2017	<p>Continued designation: Within one year of Trauma Center designation, ACS will perform a Verification Review. The hospital must be successfully verified by ACS in order for the hospital to retain Level II Trauma Center designation status. ACS requires at least a year of patient data included in the Pre-Review Questionnaire and Performance Improvement Process prior to the Verification process.</p>

**Table III. Measure B Allocation Process**

<b>Approximate Date</b>	<b>Activity</b>
May 2015	Deadline for submission of private trauma hospital surveys, reflecting the financial impact of the Hospital Presumptive Eligibility (HPE) and Medicaid Expansion; surveys will cover the 9-month period from July 2014 thru March 2015.
May-July 2015	DHS Finance conducts analysis of trauma-related finances and develops a set of options for revising allocation, if necessary.
July or August 2015	DHS meets with trauma hospitals to discuss the potential/tentative allocations and make any adjustments, if necessary.
August 2015	DHS will update the Board Deputies via a Health and Mental Health Services Cluster Meeting with recommended Measure B allocations.
July-September 2015	DHS plans to exercise its delegated authority to extend the trauma center service agreements (with notification to the Board) on a "month-to-month" basis without payments to the hospitals for the first quarter of FY 2015-16 ending on September 30, 2015.
July-August 2015	DHS meets with Board Deputies during the Health and Mental Health Services Cluster Meeting to discuss the recommended allocations in late July or early August 2015.
September 2015	New trauma center service agreements and new funding allocation for FY 2015-16 are targeted for Board approval.
October 2015	Retroactive payments for the first quarter of FY 2015-16 will be made to trauma hospitals under terms of new agreement.